REPORT OF THE
LOS ANGELES COUNTY BAR ASSOCIATION
SPECIAL COMMITTEE ON THE HOMELESS

December 2, 1988

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TABLE OF CONTENTS

I. INTRODUCTION

In February 1988 the Association established a special committee to investigate homelessness in Los Angeles County and make recommendations as to how the Association could most effectively contribute to improving the plight of the County's homeless population. The committee confronted a complex problem with multiple causes which are being addressed at various levels by various groups, organizations, and government entities. Pervading the problem and the attempts to deal with it is a sense that the phenomenon of homelessness is widespread and likely to increase in coming years with sad and devastating consequences for our community.

In carrying out its task, the committee reviewed a large number of reports and met with a great number of people working with the various aspects of the homeless problem. What the committee ultimately found was that the core cause of homelessness is the lack of resources being devoted to housing, feeding, training and educating the poor and that any long-term solution to this problem will quite simply require the commitment of substantial resources by government and the private sector. At the same time, the committee has identified opportunities for the Association to play a more constructive and active role in improving the prospects for the homeless in our community. As detailed below, those opportunities generally fall into the

following areas: (1) Increased emphasis on pro bono efforts to assist the homeless in obtaining the governmental benefits to which they are entitled, including; (2) Establishing ongoing liaison with the various governmental entities seeking to address the problem; (3) Efforts to increase informed advocacy for low income housing on both a neighborhood and community-wide basis; (4) Ongoing efforts to make the Association's membership better informed on the various factors which contribute to homelessness; and (5) Active efforts to ensure that the homeless receive due process in the granting or denial of governmental benefits.

II. GENERAL BACKGROUND

The best descriptive summary of homelessness in Los Angeles County is the Interim Report on Homelessness in the County of Los Angeles prepared by the 1987-88 Los Angeles County Grand Jury. What follows draws liberally upon that report.

A. Who are the Homeless?

Los Angeles County has the largest homeless population in the United States. A 1984 Federal Department of Housing and Urban Development study estimated that there were 35,000 to 50,000 homeless in the County at that time. The 1985 Los Angeles County Task force on the Homeless in 1985 estimated that the number of homeless was closer to 25,000. The 1987 National

Coalition for the Homeless conducted a twenty-five city survey in 1987 that determined the number of homeless had grown approximately 35 percent in the intervening two years. All indications are that the past year has also seen a substantial increase.

If one included in estimates of the homeless population those who are inadequately housed (people temporarily depending upon relatives for shelter, those living in garages without toilets or in utility closets in slum housing, etc.), the number of homeless would rise as much as ten times.

Many different kinds of people, with widely differing needs, are homeless. Most are average people with low incomes who find themselves without shelter due to sudden adverse economic circumstances. Many are veterans. Over one-third are chronically mentally ill and some chronically abuse drugs and/or alcohol. Some are youth or women escaping physical abuse or other circumstances in their homes. Most are under 50, with a very large percentage being children. Many are black, although the combined white/Latino population of homeless exceeds the black population. Most are male. The following figures are estimates which describe some of the population.

- 25% have full-time jobs that do not pay enough to allow for housing
- 40% are families with children -- the segment of the homeless population that is increasing at the fastest rate

- 40% are veterans
- 33% are chronically mentally ill
- A small percentage have physical disabilities

(These figures equal more than 100 percent because of overlap between groups.)

In March 1986, United Way completed a first-of-its-kind study of shelters in the County. In surveying shelter clients they found notable differences among those in shelters located downtown and those located in suburban areas.

SHELTER CLIENTS BY AGE GROUPS

Age	Downtown (%)	Suburban (%)
0 - 18	3.3	25.6
19 - 25	20.6	21.7
26 - 35	23.3	28.4
36 - 50	40.6	15.8
51 - 64	8.3	6.3
65+	3.9	2.2
Total	100.0	100.0

SHELTER CLIENTS BY ETHNIC GROUPS

Ethnic Group	Downtown (%)	Suburban (%)
White	29.6	40.4
Latino	24.5	35.5
Black	42.8	20.4
Indian	2.5	1.3
Asian	.6	2.4
Total	100.0	100.0

Homeless families also have some significant characteristics. Studies have defined four major subgroups -- unemployed couples with children, mothers leaving relationships, teenagers who are mothers, and mothers on welfare (Aid to Families with Dependent Children, or AFDC). Of families who seek shelter, an average of 40 percent cannot be placed due to lack of available space.

B. What Causes Homelessness?

In its Interim Report on Homelessness in the County of Los Angeles, the 1987-88 Los Angeles County Grand Jury cites three major causes of homelessness: (1) poverty, (2) lack of affordable housing, and (3) County General Relief policies. Each of these topics is discussed, to a greater or lesser degree, in this report.

Many reasons for the increase in the numbers of homeless in Southern California are well known. Since 1980, as a result of major cuts in federal and state spending large gaps have opened up in "safety net" programs that previously aided the working poor, the disabled, the mentally ill, and those undergoing temporary crises. These cuts have contributed to the rise in poverty, even in the face of a perceived economic recovery. Employment and training programs have been cut 73 percent in inflation-adjusted dollars from 1980 to 1988. Funds for communi-

ty development have been cut 66 percent, health care 42 percent, education 57 percent, and social services 37 percent. Because of these federal cutbacks, between 1981 and 1983, 54,000 disabled Californians had their benefits (SSI - usually approximately $600 monthly) terminated. Again because of federal cutbacks, 34,000 very poor families were terminated from welfare benefits (averaging under $400 month). Many of these people who were unable to depend upon family or friends have joined the homeless.

Los Angeles has an inordinately large share of California's indigent. This is because Los Angeles, in addition to having to cope with the homeless indigenous to any large American city, attracts homeless individuals from other communities who are drawn to Southern California because of its favorable climate, its large ethnic communities, and the perception of a vibrant economy. However, the financial and programmatic commitments of the federal and state governments do not reflect this reality. This problem is greatly exacerbated by the severe restrictions Proposition 13 and the Gann Initiative place upon the County's ability to generate additional revenue on its own.

C. <u>The Effects of Homelessness</u>

Homelessness has profound effects on its victims, especially children. Commonly seen are developmental delays (not walking, talking, or sitting up on time), developmental regres-

sions (children who had already learned to walk reverting to crawling), stress symptoms (increased clinging, crying, nightmares) and illness (pneumonia, skin diseases, malnutrition). Once homeless, 43 percent of school age children do not attend school.

Once families become homeless, many other problems develop as a result of the lack of shelter. A City of Los Angeles funded study conducted by Kay McChesney at the University of Southern California noted such examples as an inability to obtain or maintain income assistance or to look for work, a propensity to lose an existing job because there is no way to bathe or wash clothes, hunger, increased health problems (up to and including illness from eating spoiled food), and several others.

III. COMMITTEE METHODOLOGY

In an effort to effectively study homelessness in Los Angeles County with the limited volunteer resources available, the committee divided itself into four subcommittees to focus on the following issues which had been identified after consultation with various persons working with the homeless issue: (1) present service delivery to the homeless by the private sector; (2) due process considerations involved in denial of access to existing governmental assistance programs; (3) the mental

health/homelessness nexus; and (4) general housing policies as they affect homelessness in Los Angeles County. Members of each subcommittee contacted and interviewed a number of people who are working in or knowledgeable about the topic addressed by that subcommittee. Summaries of the interviews were prepared in most cases and distributed to the full committee.

Each subcommittee invited from two to four of the persons it interviewed to address the full committee and answer questions. Accordingly, all of the members of the committee had the opportunity to spend an evening with specialists in each of the fields covered by the investigation.

IV. FINDINGS

A. Present Service Delivery to the Homeless

This subcommittee was assigned the task of obtaining information about providers of services to the homeless, and to assess ways in which the Association could be of assistance in their efforts. The subcommittee investigated three service areas: direct services - legal; direct services - nonlegal; and indirect services.

1. Direct Services - Legal

The provision of legal services directly for the benefit of the homeless has generally taken two forms: (1) impact litigation cases aimed at systemic problems, and (2) direct advocacy on behalf of individual homeless.

The general, large-impact litigation has typically been handled by litigation teams consisting of lawyers from the Legal Aid Foundation of Los Angeles, Inner City Law Center, Western Center on Law and Poverty, Center for Law in the Public Interest, and private lawyers providing services on a pro bono bases (most notably, Irell & Manella and Munger, Tolles & Olson).

The major pending case which affects the homeless is a lawsuit brought on behalf of the City of Los Angeles and various homeless individuals against the County of Los Angeles challenging various procedural and substantive aspects of the County's administration of the General Relief program. The City is being represented on a pro bono basis by Munger, Tolles & Olson. Other examples of this type of litigation have included litigation against slumlords seeking better conditions and litigation aimed at changing certain rules and procedures used by the County to cut-off benefits to homeless persons. All of the people contacted believed that this type of litigation is essential.

The second type of legal service is that which is provided directly to homeless persons on an individual case-by-case basis. These legal services are provided primarily by staff attorneys of Legal Aid Foundation of Los Angeles (LAFLA), the Inner City Law Center and private pro bono attorneys and law clerks working through Public Counsel. LAFLA and the Inner City Law Center have staff attorneys and paralegals who provide direct legal assistance to homeless individuals regarding a variety of issues, including the appeal of benefit reduction or termination, landlord/tenant, and family law issues.

During the summers of 1987 and 1988, Public Counsel has administered a program co-sponsored by the Association's Human Rights Section which utilized trained summer clerks in private law firms to represent individual homeless clients before the Department of Public Social Services (the "DPSS") in appealing denial or reduction of benefits. This program has been perhaps the single most successful effort undertaken by the private bar. It has resulted in hundreds of homeless people receiving benefits to which they were legally entitled. Unfortunately, this program is only available during the summer months. Public Counsel is seeking to broaden it to a year round program utilizing law students and non-legal personnel trained to perform this advocacy function.

A third area of legal service is not very well coordinated at this time. This is the area of providing legal assistance to providers of services to the homeless. These providers have typically been represented on a pro bono basis by lawyers in private firms. The exact legal needs of this community from an overall vantage point remain unclear.

2. Direct Services - Non-Legal

The major direct non-legal service providers are concerned with the problem of housing and feeding the homeless. Statistics show there are approximately 11,000 homeless on Skid Row in Los Angeles. Of that number, approximately 2,000 are in shelters, 1,000 live in the streets and the remaining 8,000 live in single room occupancy ("SRO") accommodations.

The shelters, and what they provide, are as varied as the organizations and individuals responsible for them. Some furnish overnight beds only, while others provide a variety of services including counselling and long-term transitional housing. The latter are designed to help individuals get back into the mainstream of society. Some shelters are for the single adult and others for families or women with children.

Alice Calahan of Las Familias del Pueblo Center, Nancy Berlin of House of Ruth, David St. John of the Downtown Women's

Center, Carol Witthoff of the Salvation Army, Mel Johnston of the Midnight Mission, and Bob Erlenbusch of the Homeless Health Care Project were of particular assistance in understanding the services various organizations provide.

Las Familias del Pueblo is a community center for families located in the downtown area. The center currently focuses on the problems of women who work in the "sweat shop" factories located near the center.

The House of Ruth operates three shelter houses in East Los Angeles which are open to women and children. Of the three houses, one offers temporary housing (available for several months) and the other two provide shelter for up to one year. The services provided include: food and lodging, counseling, child care, English classes, medical care and case management programs which attempt to show the women how to establish and attain goals. The combined houses shelter between 25 and 30 people at any given time.

The Downtown Women's Center was established to provide shelter for women with mental disorders. In order to qualify, a woman must be currently taking medication for the disorder. She may stay at the Center so long as she conforms with the regulations concerning no alcohol or non-prescription drugs and the 9:00 p.m. curfew. There are approximately fifty individual

rooms, each designed to give the women the sense of having their own home.

Because the Salvation Army focuses on spiritual as well as physical needs, the services offered at any given time will depend upon the services required. Three programs concentrate on families and single women and provide emergency assistance (food and a place to sleep for the night), long-term shelter for up to eight weeks, and family counseling.

The Midnight Mission has 88 beds for men. The beds are available for one night only and on a first come, first served basis. Food, clothing and first aid are available to both women and men. They also have the only state-operated employment agency located in a Mission.

The above providers are but a few of the shelters available to the homeless. There are other organizations designed to provide specialized non-shelter services to the homeless are provided by a wide array of organizations. For example, the Los Angeles Homeless Health Care Project services the medical needs of the homeless through six different clinics -- the Venice Family Clinic, the UCLA School of Nursing Health Center at the Union Rescue Mission, the Watts Health Foundation, the Northeast Valley Health Services, the Community Health Foundation of East Los Angeles, and Children's Hospital of Los

Angeles. Dental services are available at La Clinica Oscar A. Romero and UCLA Venice Dental Clinic. Additionally, there are various services available from many non-profit community organizations.

Organizations of the type described above make a significant contribution. However, they remain chronically underfunded and unable to even come close to meeting the needs of the homeless for housing, food, and health care.

3. Indirect Services

Indirect service providers include entities that are involved in addressing the problems of homeless people, but which do not directly deal with the homeless person. Generally, these organizations either furnish services to direct providers, or exist at the nexus between the private and governmental sectors. Included in this category are organizations such as United Way/Coalition for the Homeless, Shelter Partnership for the Homeless, L.A. Partnership for the Homeless, and Food Partnership. Gene Boutilier (United Way), Paul Tepper (Shelter Partnership) and Chris Renner (Food Partnership) provided much of the information used by the subcommittee regarding this area.

Donations of food from the private sector, such as General Mills, Beatrice, and Lucky, are distributed to needy

persons through eighty food banks located throughout the United States, with the largest being in Los Angeles (25 million pounds per year). From the food banks, donations flow to local "food pantries" for distribution at the local level. Food Partnership locates donors, arranges transportation, and distributes food to about 500 agencies in this area. In addition, Food Partnership assists organizations wishing to start pantries, and engages in advocacy with respect to relevant legislation.

United Way/Coalition for the Homeless and L.A. Partnership for the Homeless both play a role in the distribution of funds, private and public, to direct service providers. There are approximately 129 shelters, 300 food pantries, and fifty to sixty major or mid-sized social agencies serving the indigent or homeless in the Los Angeles area. Los Angeles is funded by $4.7 million out of federal funds and $1.6 million of state funds administered through boards organized under the Federal Emergency Management Agency ("FEMA").

Shelter Partnership for the Homeless helps shelters obtain money from various funding sources by assisting organizations in preparing applications and proposals. In addition, it provides technical services to direct providers in such areas as site selection, obtaining permits, forming boards, management plans, and information sharing. Some of these services are provided under contract to the City and Community Redevelopment

Agency ("CRA"). However, Shelter Partnership does not collect or distribute any funds.

These and other similar organizations act as a kind of "middle management" with respect to the provision of direct services to the homeless. Their perspective is necessarily broader than direct providers because of the nature of their mission. None of the individuals contacted in this area perceived that their particular organization had unmet legal needs. However, each person saw much need among homeless people per se and among the direct providers that they come in contact with. Generally speaking, there is a perceived need for more direct legal services for the homeless, as well as for more active commitment and involvement by the organized bar in governmental responses to the problem.

In addition to the groups specifically mentioned above, there are many resources available to those who provide direct services to the homeless. For example, Shelter Resource Bank, Clearinghouse for Volunteer Accounting Services, Southern California Center for Non-Profit Management, Funding Information Center Library, Homewords, and the Executive Service Corp. of Southern California are among those entities that assist direct providers.

4. Food Donations by Restaurants

On January 14, 1988, an article appeared on the front page of the Los Angeles Times regarding restrictions that prevent local restaurants from donating leftover food to the homeless. Subsequent research revealed that at least 16 states have enacted legislation encouraging such food donations by limiting liability of food donors.[1] Additional research also revealed that California Senator Newton Russell had introduced S.B. No. 2427, which would authorize any food facility to donate food to a nonprofit charitable organization or a food bank with limited civil liability for an injury resulting from consumption of such donated food. S.B. No. 2427 has been passed by the Legislature and was sent to the Governor for his signature on August 19, 1988. A copy of the bill that is awaiting the Governor's signature is attached hereto as Exhibit B.

As a result of the passage and presumed adoption of S.B. No. 2427, further legislative action appears unnecessary in California. However, the Association can and should encourage

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[1] Alaska (Section 17.20.345); Arkansas (Section 20-57-103); Delaware (10 Del.C. § 8130 and 16 Del.C. 6820); Illinois (Title 56½, Paragraph 2002.00 et seq.); Kentucky (Title 36, Section 413.248); Maryland (Health Envir. § 4-107); Minnesota (§ 31.50); Missouri (Title 36, Section 537-115); New Mexico (NMSA 1978, § 41-10-3); North Carolina (§ 99B-10); Ohio (§ 2305.37); Oklahoma (Title 76, Section 5.6); Rhode Island (Section 21-34-1); Texas (Tx. Civ. Prac. & Rem. § 76.004); Virginia (§ 3.1-418.1); West Virginia (§ 55-7-16).

organized efforts to generate food donations by food facilities to the homeless in Los Angeles County.

At the current time, a task force that includes representatives from the County Health Department (Art Tilzer), local food banks, local shelters, and Food Partner (a United Way project) is meeting to formulate an organized effort for the distribution of such food donations. The Association might be able to provide some assistance to this effort.

In addition, the Association can use its members' economic strength to encourage local restaurants to participate in organized food donation programs. One possible course of action is for the Association to send a letter to each local restaurant informing them about the new law and about alternative food donation programs. The restaurants' participation in such programs can be solicited and encouraged via such correspondence by communicating the Association's intention to encourage such donations by publicizing the names of participating restaurants to our members in a listing in Los Angeles Lawyer or Update. The Association's letter can include a brief return form which would provide the information required for inclusion in such a listing.

The Association's publication of the listing of participating restaurants should include a brief statement encouraging our members to frequent restaurants that participate

in such programs. In addition, the Association can encourage lawyers whose clients include restaurants to encourage those clients to participate in such food donation programs.

B. Governmental Assistance Programs - General Relief and AFDC

This subcommittee was asked to examine the existing governmental assistance programs and the due process safeguards to protect homeless and indigent recipients from arbitrary denial or loss of benefits. The subcommittee focused on the Los Angeles County General Relief program and the federally funded, but County administered Aid to Families with Dependent Children program.

1. General Relief

General Relief is a completely county-funded and county-operated relief program for people who have no other means of support. It is mandated by state law which provides that:

> "[E]very county and every city and county shall relieve and support all incompetent, poor, indigent persons, and those incapacitated by age, disease, or accident, lawfully resident therein, which such persons are not

> supported and relieved by their relatives or friends, by their own means, or by state hospitals or other state or private institutions." [Welfare and Institutions Code Section 17000.]

The General Relief program is administered by the Department of Public Social Services ("DPSS") pursuant to ordinances adopted by the County Board of Supervisors and to regulations promulgated thereunder. Financing for the program comes from the County general fund. As of July 1988 the basic General Relief grant is $312 per month (up from $280 per month previously).

To qualify for General Relief, an applicant must have earned less than $312 for the month during which he is applying and must have less than $50 in cash and very little non-cash assets. To stay on General Relief, recipients must submit a monthly eligibility report (known as a "CA-7") even if there are no changes in the applicant's circumstances from the previous month. Failure to timely submit the CA-7 each month results in termination of benefits.

Those recipients who are able to work must also comply with a number of work-related requirements. Employable recipients are required to participate in the workfare program by

working off their grants at the equivalent of the minimum wage at various county work sites. Employable recipients are also required to contact 20 potential employers each month and to document such contacts. In addition, such recipients must register with the Employment Development Department every ninety days, and must accept all job and training referrals and offers. Failure to fulfill these requirements results not only in the termination of General Relief assistance, but also in the imposition of a 60-day penalty which prohibits the applicant from re-applying for General Relief for 60 days from the date of the penalty.

Each month, approximately 15,000 people walk into the DPSS General Relief offices, approximately half of whom are homeless. Approximately 5,000 of the 15,000 are turned away by the initial screeners. There is no review of this initial denial nor any quality control mechanism for ensuring that such denial is appropriate. Of the remaining 10,000, approximately 6,000 are denied assistance after applying. Thus, approximately 4,000 people are approved for General Relief assistance each month. Coincidentally (and some think conveniently), approximately 4,000 people are terminated from the program each month, about 2,400 as a result of the imposition of the "60-day penalty." The average time spent on General Relief by any given individual is seven months.

No form of income support is available to those denied General Relief. General Relief management personnel seem to be evaluated on their ability not to spend more than a certain budget amount, rather than their ability to assist eligible people. This has led to the creation of a system apparently designed to keep out as many people as possible. General Relief policies are standardized; however, practices are reported to vary greatly from office to office.

Los Angeles County has the largest number of indigents in the state, comprising approximately 52 percent of all cases. The average monthly General Relief caseload in the County is more than 40,000. The next largest caseload in the state is San Francisco, with 8,000 cases, followed by San Diego, with 2,700. The state provides no funding assistance to the County earmarked for General Relief.

a. The CA-7 Requirement

One of the major causes for termination from General Relief is the failure to timely submit the CA-7 form each month. The CA-7 was first required in the AFDC program (discussed below), and subsequently became a requirement of the Foodstamp and General Relief programs as well.

Although the requirement was imported from the AFDC program, the procedural protections connected with the requirement were not. Under the General Relief program, unlike AFDC, failure to timely submit the report results automatically in termination of benefits.

b. The 60-Day Penalty

As previously noted, failure of a general relief recipient to fulfill his or her workfare requirement, to contact and document contacts with twenty employers per month, or to register with the Department of Public Social Services ("DPSS") which administers the General Relief program each ninety days results in automatic termination of benefits for sixty days, regardless of the severity of the violation or when it has been cured. The 60-day penalty has been in effect for over fourteen years, and was increased from thirty to sixty days in 1982. The penalty, which results in the complete loss of benefits, does not vary depending on the seriousness or triviality of the violation. Benefits are terminated for 60 days, both to the person failing to comply and to his or her spouse and children. The penalty is not lifted if the person subsequently complies with the requirement. Instead, the person must wait till the end of the 60-day period and then re-apply for assistance.

The ostensible purpose of the 60-day penalty is to enforce the employment-related requirements for able-bodied recipients and to give an incentive to find work. However, because, by definition, General Relief recipients have few assets, the 60-day penalty in effect imposes a two-month period of homelessness on those penalized. Because of the draconian effect of the penalty, it is essential that minimum procedural protections exist to insure that it is fairly applied.

The vast majority of penalties (88 to 89 percent) are related to noncompliance with the "workfare project." The workfare project is the result of a requirement that those who apply for General Relief and are deemed "employable" must work off their grant at minimum wage (about ten days of work). Tasks include cleaning the freeways of litter, cremating remains, and performing various tasks in the County hospitals. There is no effort made to match the location of a General Relief recipient's location of work to any shelter the recipient may be using, although participants in the workfare project are given special transportation money. However, most shelters serve meals during established time periods -- for instance 7 a.m., noon and 5 p.m. If a General Relief recipient must leave at 6 a.m. to work at a workfare project, works all day in a remote location and arrives back at a shelter at 7 p.m., he or she may receive no food the entire day.

In response to the filing of the Bannister v. Board of Supervisors case in 1982, the DPSS formulated new rules to allow discretionary use of the penalty and to require that violations be "willful." If a recipient tried in good faith to comply with the employment-related requirements, but nonetheless failed, such failures were to be excused from the operation of the 60-day penalty. While in theory the reforms are clearly beneficial, it is unclear to what extent the reforms have been implemented, and it is questionable whether they have substantially affected the method by which the 60-day penalty is imposed.

Other procedural problems remain. In many cases, recipients receive no notice of the imposition of the penalty prior to being cut off from General Relief assistance. While the DPSS has a policy of providing written notice of the 60-day penalty and the right to appeal the penalty by those upon whom it is imposed, a substantial number of those persons do not in fact receive the notices because they do not have stable residences.

As discussed above, the penalty is applied without discretion to both serious and minor violations. For example, the penalty is imposed equally on persons who fail to appear for a meeting with a caseworker, those who fail to list only one of twenty employers in the job search form, and those who refuse to conduct any job search at all. Finally, even where notice is

received and a hearing is held, the hearing is not governed by any rules of evidence and no record is made of the proceedings.

c. The City v. County Lawsuit

These and other procedural deficiencies have been challenged by a recent lawsuit filed by the City of Los Angeles against the County of Los Angeles. The lawsuit focuses on five major areas of concern: (1) inadequate and unreasonable outreach services; (2) exclusionary in take and screening procedures; (3) arbitrarily difficult and discriminatory application procedures; (4) arbitrary denial of benefits; and (5) unlawful termination and deprivation of benefits.

2. AFDC

The AFDC program provides aid to families with dependent children. It is funded 50% by the federal government and 50% by the County. It is governed by federal regulations and administered by the County DPSS.

Single parent families with less than $1,000 in resources and two-parent families where neither parent is working full-time are eligible. The amount of aid provided varies according to the number of persons in the family. For example, a family of two receives $511 per month while a family of 4

receives $730 per month. Approximately 800,000 people receive AFDC in Los Angeles.

The AFDC program provides far greater procedural protections to its recipients than does the General Relief program. In addition to the CA-7 pre-termination notice described above, appeals from termination of AFDC are heard by independent hearing officers, not supervisors as is the case with the General Relief program. Moreover, the AFDC population is generally more stable than the General Relief population and therefore is far more likely to receive its mail.

In addition to the more extensive benefits provided under AFDC, state legislation was recently enacted to provide homeless AFDC families with both emergency temporary shelter assistance, as well as money necessary for the family to locate and secure permanent housing.

C. The Homeless Mentally Ill

Approximately one-third of the homeless population is chronically mentally ill. While there are undoubtedly multiple causes for this statistic, it is well accepted that it is in substantial part due to the change in California's treatment model for the mentally ill from institutional to community based treatment.

In 1955, approximately 560,000 persons were patients in state mental hospitals. Today, as a result of the deinstitutionalization of the mental health system only 116,000 persons are patients in state mental institutions. While the Legislature planned that the reduction of the caseload at long-term state facilities would be combined with a corresponding increase in community-based facilities, the community-based facilities never materialized in sufficient numbers. This was due to a failure to provide sufficient funding for community-based facilities and community opposition to the siting of the facilities. Thus, patients left state facilities, but found no community-based facilities to meet their needs. This ultimately resulted in substantial increase in the numbers of mentally ill who were homeless.

There is a genuine difference of opinion among professionals as to the balance to be maintained between the institutional and community based treatment models. However, there is no disagreement that both are radically underfunded with an increase in homelessness a direct result.

In addition to concerns about the civil rights of the mentally ill, it has also been observed that many of the mentally ill homeless tend to reject help. The modern programs which have been established, such as the Skid Row Mental Health Clinic,

attempt to reach out in such a manner that trust is established, leading to a situation where the homeless do not reject help.

It seems clear that as with the homeless generally, a major increase in available resources is critical to improving the lot of the mentally ill. Both long-term institutions and community-based facilities require substantial increases in funding. In addition, long-term rehabilitation programs, involving training, psychiatric counseling, and specific housing assistance, must be expanded.

Moreover, a solution which simply focuses on more housing is not the total answer. Most professionals agree that if every homeless person were put in a low income apartment today, many would be on the street within several weeks. Homeless individuals differ from other people in that they are generally alone and isolated; nowhere is this more the case than with those who are identified as the homeless mentally ill.

Additionally, we must try to move away from a system of temporary shelters, abrupt termination of General Relief benefits, and sporadic attention from various levels of government. We must move away from situations where the homeless mentally ill leave mental health facilities and go right to the streets with no referrals. There are too many that are simply not on anyone's case load.

One source of increased funding which has been largely ignored by the County is SSI. Many if not most of the mentally ill homeless who seek aid from the County, either in the form of General Relief or in-patient institutional care, are eligible for federal assistance. If a person is eligible, SSI will provide more funds to the care-given than the County does, as well as relieve the County of the responsibility of paying for that person. An effort is being made to force the County to tap into this source of funding through the Skid Row Pilot Project.

Along with the community mental health model, in coordination with inpatient facilities, most professionals believe that we must be more aggressive in the care of the homeless mentally ill. This will include selected use of temporary out-patient commitments, hinging release into the community on continued use of medication. Certainly, more money must be made available to outpatient community mental health centers. All of this should be attempted without any thought of massive reinstitutionalization of the homeless mentally ill. In short, we must foster the creation of community support systems, with a network of mental health and social welfare services for the care of chronically mentally ill in non-institutional settings.

An example of just such a program, currently operating in Los Angeles, is the Mental Health Advocacy Services. The

everyday social and legal problems of the homeless mentally ill are addressed, with more volunteer attorneys always needed.

D. Housing Policies

The subcommittee on general housing policies was charged with investigating the housing polices at local, state and national levels, identifying how they impact on the homeless, and making recommendations concerning how the Association could most effectively be involved in improving those policies. The subcommittee found that many factors have contributed to homelessness in Los Angeles County, including the de-institutionalization of thousands of chronically mentally ill people, the Vietnam War (which left many veterans drug or alcohol dependent), and a national economic climate which has resulted in the elimination of a large number of manufacturing jobs in the last decade. However, the basic and underlying reason for homelessness in Los Angeles is that there simply is not enough affordable housing.

According to the Los Angeles County Grand Jury Report the tremendous and growing lack of affordable housing is the most critical element in the cause of homelessness. The United States Department of Housing and Urban Development estimates the market rental rate in 1987 for a single (studio) apartment in Los Angeles County to be $530 a month. At minimum wage, a person's

before tax income is $680 a month. Those workers employed at, or close to, minimum wage are an important part of the Los Angeles economy, comprising many food service workers, retail sales people, housekeepers, child care providers, and low-skilled manufacturing and health care workers.

A general guideline in the lending community recommends that housing costs not exceed one-third of gross income. With a studio apartment costing more than $500 a month, each Los Angeles resident would have to earn at least $18,000 a year to afford to rent here. As revealed in the Los Angeles Times November 27, 1988, even teachers earning $25,000 are hard-pressed to afford adequate housing in this market.

There are many reasons for the shortage in affordable housing. Most conspicuously, in the past seven years the federal government has reduced assistance for low-income housing from $37 billion to $7.2 billion. Housing program cutbacks have been severe. Between 1981 and 1985 funding for the Federal Housing Loan Program dropped from $7.3 billion to $1.1 billion. The Federal Housing Assistance Program was cut from $27 billion to $10 billion during the first four years of the Reagan administration. There has been a 70 percent reduction in funding to the Housing and Urban Development Department between 1980 and 1985. The Federal Neighborhood Reinvestment Corporation estimates a 27 percent decrease in available low-income housing with

a 44 percent increase in those who need it. More than 100,000 people are on waiting lists for County and City of Los Angeles public housing units and housing subsidies. Moreover, no new low-income "projects" have been built since shortly after World War II. Those which exist (9,000 units owned by the City of Los Angeles and managed by the City Housing Authority) are badly in need of repair and maintenance.

Another reason for the affordable housing shortage has been the boom in the Los Angeles economy and attendant increases in property values. The familiar conflict between the interests of property owners and the interests of tenants has escalated and has led to the destruction of many low and moderate-income units in favor of commercial development and luxury housing. Exceptions to rent control requirements have also led to a decrease in available affordable housing, as rents for units which are vacated or "improved" may be raised above the affordability levels of most mid and low-income individuals and families.

In addition to the problem of <u>funding</u> low-income housing, two problems which are frequently overlooked are <u>siting</u> the housing and <u>maintaining</u> it once it is built. As to siting, fear that low-income residents will disrupt community life and lead to increased crime rates results the NIMBY (Not In My Back Yard) phenomenon. Efforts to construct even moderate structures

are vehemently opposed by neighborhood groups with the result that City and County officials hesitate to construct them.

Maintenance becomes a major problem when the people who will live in the housing are so mentally or socially impaired as to require supervision. Living units deteriorate rapidly when residents do not observe the rules against drug or alcohol use on the premises, fires on the premises, or bringing food into quarters which have no refrigeration facilities. Costs rise because of the expenses of repairing damaged units, and the supervisors are drawn away from their primary tasks because of the need to obtain more financing to pay for the repairs.

If enough affordable housing were available, the majority of homeless would not be on the street. We are only now beginning to see the effects of housing policies implemented eight years ago. The lack of housing will continue to worsen as more low-income housing reverts to market rates, real estate values rise, older housing is torn down or rehabilitated to more expensive units and demand for housing increases. A great deal of low income housing has been demolished in the past ten years as single room occupancy hotels have given way to the gentrification of downtown and buildings have been rehabilitated to meet earthquake standards and thus upgraded above the level of being "low-income" housing. Until the lack of affordable housing is addressed, people with low incomes will be shifted around

rather than permanently assisted. California now absorbs more than 25 percent of all immigrants to the United States and, of those, more than half settle within this County. We already cannot house those who are here.

Solutions to the affordable housing crisis are beginning to be addressed at all levels of government and community action. The efforts being undertaken at the local, state and federal levels are addressed below.

1. Local Level

Virtually all knowledgeable persons agree that the City of Los Angeles lacks a comprehensive overall housing policy and that it needs one. There is also general agreement that one of the goals of any housing policy should be to ensure that existing affordable housing is preserved and more is built. There is considerable disagreement, however, as to how this should be accomplished.

There are three city-affiliated agencies which presently share responsibility for housing: the City Housing Authority (the "CHA"), the Community Redevelopment Agency (the "CRA"), and the Community Development Department (the "CDD"). The CHA is an independent corporation controlled by the City which is funded primarily by HUD. Its primary responsibility is

to oversee and maintain over 9,000 public housing units and 20,000 Section-8 rental _____ certificates.

The CDD is a City agency which if funded partly by federal and partly by state monies. The CDD's involvement in housing is limited to initiating and administering housing programs for the City and recommending funding and implementation packages for those programs.

The CRA is an independent agency authorized by the state Health and Safety Code. Some of its members are appointed by the Mayor, some by the City Council, and some by the County Board of Supervisors. It is funded by property tax revenues (Tax Increment Financing) generated within a designated Community Redevelopment Zone. However, it is not required that all of the revenues be spent within the Zone. The level of taxation prevailing within the Zone at the time it was created is "frozen" and that amount continues to be paid to the County and used for general revenue purposes. However, any increase in the tax rates due to the increase in property values during the approximately 20-year duration of the Zone goes to the CRA. Thus, it is easy to see that increased property values within any given Community Redevelopment Zone will result in more money for the CRA. The CRA is the only one of these agencies with access to substantial amounts of money. As a result of its comparative wealth, the CRA has become the de facto housing authority for the City.

The CRA-related entity which deals with housing for the homeless is the SRO (Single Room Occupancy) Housing Corporation ("SRO"). SRO is a non-profit entity established in 1984 by the City of Los Angeles to acquire, renovate and manage residential hotels as affordable housing. SRO has concentrated its efforts in Los Angeles' Skid Row and has acquired 11 hotels encompassing 1,050 units. In addition to providing safe and affordable housing services, SRO is also involved in a broadly based program intended to improve the quality of life of local residents.

Although reviews have been mixed, most people agree that the CRA has provided a substantial number of emergency shelters, particularly in the Skid Row area. However, it has been criticized for doing only as much in the low-income housing area as it is required to do under law. The CRA is statutorily required to spend 20% of its funding on housing, but only a small percentage of that 20% must be dedicated to low income housing.

Those who are critical of the CRA's approach believe that the redevelopment undertaken by the CRA has resulted directly and indirectly in a loss of affordable housing. This is because redevelopment of a previously low income area has the effect of raising property values to the point where low income housing is no longer the best, highest use of the property. Unlike the replacement requirements which operate when low income

housing is directly destroyed, there is no requirement that housing lost in this fashion be replaced. The CRA's response has been to emphasize that increased property values lead to higher taxes being levied, and more revenues being generated to aid in its efforts.

Others are critical of the CRA's efforts because, in the past, the CRA (through SRO) has actually decreased the available low income housing stock by purchasing Skid Row hotels and then closing them for many months for rehabilitation. SRO now asserts that it will not purchase any hotels unless they can be kept open.

Critics of the City blame the destruction of nearly 4,000 units of low income housing per year (330 per month) on the City's failure to stop demolition of low and moderate income rental units which are being replaced by luxury apartments or condominiums. In addition, affordable rental units are being consumed under the "major rehabilitation" clause of the Los Angeles rent control ordinance passed in 1979. The "major rehab" clause allows a landlord to evict a tenant and raise the apartment's rent without restriction so long as the landlord promises to make $10,000 in unspecified "improvements" in the unit. The ordinance does not describe the types of "improvements" which are allowable, but it was intended to encourage the owners of unsafe or substandard units to improve the quality of their housing.

Many landlords have been evicting, making only cosmetic repairs, and then re-letting the units at much higher rates.

Mayor Bradley's response to the housing and homelessness issue has been to create a Blue Ribbon Panel to study the issue and make recommendations. The Association has no representation or liaison with the Blue Ribbon Panel, although we have been invited to send an observer.

2. State Level

The November ballot had two initiatives dealing with funding for programs for the homeless. The Roberti initiative, which was adopted, authorized a bond issuance of $300 million for low-income housing. The Collis initiative, which failed, would have provided funding for programs to combat hunger and homelessness by collecting a "traffic ticket"-like fine on violators of existing health, building and safety ordinances. It was estimated that such citations would have generated $50 to $90 million in revenue annually.

3. Federal Level

There are presently three proposals in Congress which, if passed, will help alleviate homelessness. They are: reauthorization of the McKinney Act; reauthorization of the federal tax

credit to for-profit companies which invest in low-income housing; and new federal legislation creating a new Housing Opportunity Program (HOP).

The McKinney Act of 1986 (Homeless Assistance Act) was considered for reauthorization in the summer and fall of 1988. Reauthorization has provided $280 million for homeless housing, largely in the form of emergency shelters. Reauthorization has been approved by both the House and the Senate, and should be signed into law by the President by the end of 1988.

The federal for-profit/low-income housing tax credit, which has generated much interest in Los Angeles County, will not actually be considered for reauthorization until 1989. However, because construction schedules are lengthy, companies which are interested in building low-income housing want to know now if the tax credit will still be available when they finish building. This bill is under the jurisdiction of the Senate Finance Committee.

The proposed National Affordable Housing Act is being sponsored by Sens. Cranston and D'Amato. It would create a new federal housing program known as the Housing Opportunity Program ("HOP"), which would provide federal funds at the state and local levels to support construction and maintenance of low-income housing.

Legislation to create the HOP will probably be introduced in late 1988. It is not expected to be passed during the present Administration, but would be implemented, if at all, during the term of the next president. There will be an extensive hearings and comment period before the definitive legislation emerges.

V. RECOMMENDATIONS

A. Commission On The Homeless

Having attempted to survey the needs of the homeless and the various critical issues to be faced in ameliorating this grave social crisis, the most difficult task facing the committee has been deciding how the Association could most effectively contribute. At the outset, it is evident that any long term solution to the problem involves the commitment of very substantial societal resources to the creation of acceptable low income housing, to the feeding of low income people (employed and unemployed), and to education and job training. These goals simply are beyond the capacity of our Association acting on its own.

At the same time, it is clear to us that if the Association can become sufficiently knowledgeable, it can play a

valuable and catalytic role in coordination and cooperation with other professions, other sectors of the business and religious community, community organizations seeking to serve the homeless, and government. However, such a role only can be achieved by a serious and concrete commitment. In our opinion paid staff support will be essential. Our efforts over the past eight months demonstrate that it is extremely difficult, if not impossible, to synthesize and understand the complex issues involved in homelessness on a part-time basis. Similarly, the development of relationships with the various entities and people involved in dealing with the issue requires staff support.

Accordingly, the principal recommendation of our committee is that the Association create a special commission or task force (1) to identify opportunities for the Association to play catalytic, leadership, and supporting roles in efforts to deal with homelessness, (2) to develop Association initiatives for dealing with the homeless problem, (3) to serve as the clearinghouse for the Association's efforts as they relate to the homeless, (4) to develop ongoing relationships with other professional, civic, religious and governmental entities working with or interested in the homeless, (5) to coordinate ongoing efforts to more fully educate our membership concerning the issues involved in homelessness, and (6) to develop appropriate legal education programs for our membership.

The commission or task force ideally would have six to ten members selected for their stature within the profession, insightfulness, and commitment, and representing the diversity of the Association's sections and committees. We would recommend that it be chaired by one of the officers.

Most important, the commission must be staffed by a paid director with some background in homeless issues or in state or local government. A paid director is critical to the Association having any substantial impact in dealing with these issues. We believe that an individual, not necessarily a lawyer, working on a daily basis, could provide the task force or commission with the kind of background and knowledge necessary to identify opportunities for Association involvement. For instance, such a person could arrange or "schedule" meetings with other groups or governmental entities, providing commission members with the background and briefing materials necessary to interact knowledgeably. In a sense, this person's primary role would be as assembler of information, developer of contacts, facilitator of involvement by task force and Association members.

1. <u>The Commission's Charge</u>

The charge to the commission would be to seek out and initiate contacts with other professional organizations, business organizations, religious groups, community groups, and government

and become an active participant in the effort to develop the necessary commitment of resources to the homeless problem. This commission would necessarily seek to actively involve the Association in existing coalitions seeking to reduce homelessness and, at the same time, take the initiative to raise issues on behalf of the Association where appropriate.

Other major areas of emphasis for the commission would be (1) to seek out opportunities to inform and educate our membership on the issues of homelessness and its causes; (2) develop ongoing liaison with organizations serving the homeless and, in conjunction with Public Counsel, seek to increase and develop pro bono programs to meet their needs; (3) work with organizations seeking to construct low income housing to identify areas for continuing education of lawyers and nonlawyers and then work with the pertinent Association committees and sections to develop these programs; and (4) generally coordinate efforts on behalf of the homeless.

The commission would also seek to represent the Association in the various governmental deliberations affecting housing and the homeless in Sacramento and in our local government. For instance, the commission would seek participation and interaction with the Housing Commission recently proposed by the Mayor's Blue Ribbon Committee and monitor legislation in Washington, Sacramento, and locally.

The commission should also consider whether one of the existing Association committees or sections with expertise in real estate and corporate law should institute a program to give direct -- nonlegal service providers much needed assistance with various legal matters, such as, reviewing contracts, resolving land use disputes, incorporating, boards of directors, and other typical small business transactions. In the event such programs are determined to be desirable, the commission would work with the appropriate groups within the Association and Public Counsel to establish such programs.

In our consideration of homelessness we have identified specific policy areas where we believe the Association should, after further study through the task force or commission, take an active role. Among these areas are

a. Development of a single housing policy agency for the City and the County.

b. Development of a housing plan which provides for increased production of low income housing.

c. Exceptions to the City housing codes for construction/remodeling of low-income housing to streamline the approval process for low-income builders.

d. Supporting changes or retention of zoning designations to benefit construction/retention of low income housing.

e. Exceptions to "slow growth" initiatives for low-income housing.

f. Strengthening existing rent control laws to close loopholes such as the "major rehabilitation" clause.

2. The Director's Responsibilities

The commission's director would have the responsibility for: (1) developing ongoing relationships for the commission with the various governmental entities and organizations dealing with the homeless; (2) monitoring the activities and programs of those entities; (3) monitoring legislative activity; (4) preparing materials for the education of commission members; (5) identifying opportunities for the Association to play an effective role in the public and private dialogue on the homeless; (6) working with commission members to develop educational programs for the Association.

Initially, the director would work with the commission to develop is basic knowledge of the issues involved by

(1) making contacts with the people and entities who are principally involved in dealing with homelessness; (2) preparing briefing materials for commission members; (3) arranging ;opportunities for commission members to meet and interact with knowledgeable people; (4) assembling materials on the efforts of other bar associations in the area. We contemplate that this process would take 1-2 months. Thereafter, working with the commission and at its direction, the director would have the responsibility for (1) monitoring the activities of the various governmental and private entities dealing with homelessness; (2) monitoring legislative developments; (3) arranging opportunities for commission members to participate in appropriate proceedings of governmental and private entities (Mayor's Blue Ribbon Commission, for example); (4) coordinating development of Association participation in the legislative process; (5) development of programs speaking to specific needs of the homeless; (6) development of educational programs for the association membership. To the extent the commission identifies programmatic or legislative opportunities for the Association, the director would staff the development of Association efforts.

In addition to the commission, the committee believes there are several concrete areas in which the Association can take action which would have benefits for the homeless:

B. Summer Associate Homelessness Assistance Project - Public Counsel

Probably the most effective concrete effort in which the Association is currently involved is help for homeless people who are eligible for General Relief. This program utilizes summer law clerks to represent and advise General Relief applicants. After a brief training period, the clerks spend a day in DPSS offices representing General Relief recipients whose benefits have been terminated. The Committee recommends that this program be continued and that the Association participate in seeking funds to expand the program using law school clerical programs.

C. Grass Roots Organizing Toward Housing (GROTH)

As discussed above, a major consistent problem for the development of low income housing is the opposition of neighborhood groups, the so-called NIMBY problem. We believe the Association should consider sponsoring a "grass-roots" type organization whose members would work intensively to gather and disseminate factual information concerning the need for low income housing generally and proposed projects in particular; appear at the local meetings and hearings sponsored by the various governmental agencies for new projects; work in coalition with local religious community groups to build support for low income

housing; monitor planned projects, and counter the various "scare" tactics utilized to oppose new low income housing projects.

D. Mental Health

The Association should continue to support adequate funding for the mental health systems. In addition, we should explore the feasibility of statutory changes which would promote a finding of "presumptive mental disability" in appropriate cases. This would allow deserving people to qualify for mental health services presently unavailable to many. The Association should also find a way to monitor the success of the Skid Row Pilot Program for assisting mentally ill people apply for SSI and, to the extent it has been successful, pressure the County to expand the program to increase its own available funds.

E. Due Process/General Relief and AFDC

Specific reforms are necessary to ensure that all those who are entitled to these benefits are receiving them and are not deprived of due process. We believe the Association should actively support the following changes:

a. Revision of the sixty-day penalty so as to make the penalty for violations of the work requirements

proportional to the severity of the violation. The sixty-day penalty should be reserved for only the most severe violations.

b. Once the infractions which triggered the penalty are corrected, the penalty should be lifted.

c. It is imperative that the DPSS examine ways to facilitate the receipts of notices by homeless individuals on whom the penalty is imposed. The establishment of a mail pickup center at a skid row hotel accessible to the recipients may be one alternative. Moreover, the notice itself should include an explanation of the alleged violation in order to give the recipient an opportunity to produce evidence at the hearing to rebut the allegations.

d. The AFDC's safeguards regarding the completion of the CA-7 forms should be implemented in the General Relief Program. Some warning must be supplied to the recipient prior to closure of his or her file for failure to properly fill out and complete the CA-7 form.

e. More formalized hearing procedures should be adopted for the General Relief appeals hearing.

f. Because the AFDC program provides a far more generous grant the General Relief Program, and because the AFDC receives half its funds from the federal government (thereby freeing substantial amount of county dollars), procedures should be established to inform, encourage and assist general relief recipients who may also be eligible for AFDC benefits, to apply for AFDC assistance.

F. Homeless Children

We recommend that the Family Law Section, or another appropriate section or committee, investigate the specific needs of homeless children and, if a need appears, become advocates in the school systems for children from poor or homeless families.

List of Persons Interviewed

Gary Blasi, Director of Homeless Litigation Unit, Legal Aid Foundation of Los Angeles

Gene Boutilier, United Way/Coalition for the Homeless, and Chairman, Community Action Board

Alice Calahan, Founder/Director, Las Familias del Pueblo Center

Rev. Maurice Chase, S.J., Asst. to the President, Loyola University

Conway Collis, Member, California State Board of Equalization

Chuck Elsesser, Legal Aid Foundation of Los Angeles

Mike Feuer, Director, Bet Tzedek Legal Services

Dan Garcia, former Chairman of the Los Angeles City Planning Commission and Board Member of The Greater Los Angeles Partnership for the Homeless

Dr. Milt Greenblatt, Professor of Psychiatry and Chief of Psychiatry, Olive View Medical Center

Larry Gross, Executive Director, Coalition for Economic Survival

Byron Gross, Legal Aid Foundation of Los Angeles

Allan Heskin, Associate Professor, UCLA Graduate School of Architecture and Urban Planning

Rabbi Margaret Holub, Inner City Law Center

Sister Julia Mary, Good Shepard Center for Homeless Women

Bruce J. Katz, Counsel, U.S. Senate Subcommittee on Housing and Urban Affairs

Kathy Krause, Staff Director, Legal Aid Foundation of Los Angeles

Nancy Mintie, Director, Inner City Law Center

Steve Nissen, Executive Director, Public Counsel

Jim Preis, Coordinator, Mental Health Advocacy

Mary Rainwater, Mental Health Coordinator, Los Angeles County Dept. of Mental Health

Andy Raubeson, Executive Director, SRO Housing Corporation

Chris Renner, Associate Director, Food Partnership

David St. John, Downtown Women's Center

Gary Squier, Housing Coordinator, City of Los Angeles

Paul Tepper, Project Director, Shelter Partnership for the Homeless

James Wood, Chairman, Los Angeles Community Redevelopment Agency